

**University of
Reading**

Voting to leave: economic insecurity and the Brexit vote

Book or Report Section

Accepted Version

Halikiopoulou, D. and Vlandas, T. (2018) Voting to leave: economic insecurity and the Brexit vote. In: Leruth, B., Startin, N. and Usherwood, S. (eds.) The Routledge handbook of Euroscepticism. Routledge Handbooks. Routledge, Abindon, pp. 444-455. ISBN 9781138784741 Available at <http://centaur.reading.ac.uk/68822/>

It is advisable to refer to the publisher's version if you intend to cite from the work. See [Guidance on citing](#).

Publisher: Routledge

All outputs in CentAUR are protected by Intellectual Property Rights law, including copyright law. Copyright and IPR is retained by the creators or other copyright holders. Terms and conditions for use of this material are defined in the [End User Agreement](#).

www.reading.ac.uk/centaur

CentAUR

Central Archive at the University of Reading

Reading's research outputs online

Voting to Leave: Economic insecurity and the Brexit vote

Daphne Halikiopoulou, University of Reading
Tim Vlandas, University of Reading

Introduction

The victory of the Brexit camp in the recent UK referendum on whether to stay or leave the European Union (EU) represents a turning point in the history of European integration. Leave won with 51.9 per cent voting to Leave and 48.1 per cent voting to Remain. England and Wales supported Leave with 53.4 per cent and 52.5 per cent respectively, while Scotland and Northern Ireland had a Remain majority with 62 per cent and 55.8 per cent respectively. In England, London voted overwhelmingly to Remain but most other areas voted to Leave including the West Midlands (59 per cent), East Midlands (59 per cent) and the North East (58 per cent). Leave made gains from both Labour and Conservative voters, cutting across party lines.

In many ways this was a surprising result. While the UK is indeed amongst the most Eurosceptic countries in the EU, the consensus expectation was nonetheless for a tight outcome in favour of Remain: Remain was the choice of both pollsters and bookmakers. So how may we explain this result? This chapter focuses on the political economy of the Brexit vote. It contributes to the debate on British Euroscepticism by examining the impact of economic insecurity on the Brexit referendum vote. Drawing on research that has examined the role of economic insecurity and labour market institutions on far right party support (Halikiopoulou and Vlandas 2016; Vlandas and Halikiopoulou 2016), we explore the determinants of individual support for Brexit. Our focus is on several factors relating to economic insecurity that have all received significant attention in broader political economy debates including income, occupation, unemployment, poverty and the level and type of education. Our analysis pays particular attention to the labour market position of individuals and the labour market risks they face as we want to examine whether- and if so how- the risk of being unemployed, the risk of being in poverty and housing risk (whether or not individuals rent their accommodation) have influenced support for Brexit. We also investigate the impact of income level and source, of being in low skill occupations, which compete the most with immigration, and of having studied a higher education degree that is 'protective' (medicine or law).

Our findings overall support the economic insecurity thesis. Our results from a logistic regression analysis of the British Election Study suggest that white respondents, those at higher risk of poverty, below the median income, with no formal education are more likely to vote for Brexit. Surprisingly, those that self-identify as being at greater risk of unemployment and those that rent their accommodation are less likely to vote for Brexit. Finally, workers in routine or low skill occupations, which we show have been more exposed to immigration, are more likely to vote for Brexit, while respondents that have studied 'protected' disciplines such as law and medicine are less likely to support Brexit. Gender has no effect but age matters in the anticipated way: older respondents were more likely to support Brexit.

Our findings are consistent with the state of the art in the emerging literature on Brexit. Most existing studies have emphasised the role of income, employment, age and education (e.g. Becker et al 2016; Goodwin and Heath 2016b). These studies have also examined the previous voting preferences of Brexit supporters, assessing the extent to which Brexit support correlates with a previous vote for UKIP (ibid). Overall, according to Goodwin and Heath 'the 2016 referendum gave full expression to deeper divides in Britain that cut across generational, educational and class lines' (Goodwin and Heath 2016a).

The chapter is structured as follows. We first provide a theoretical overview that contextualises party-based and public Euroscepticism. Here we juxtapose economic and cultural factors and briefly discuss the left-right dimension and nationalism as drivers of Euroscepticism. We proceed with a focus on the economy and public Euroscepticism in the UK: we theorise economic insecurity, discuss why it could potentially lead to a Leave vote. In the next section we describe our data and discuss how operationalize key factors related to economic insecurity and present our results. We proceed by locating our findings in the context of other studies on the topic, outlining the profile of the Brexit voter in terms of their economic and cultural background, as well as his/her attitudes on various social issues. The final section concludes.

Party-based and Public Euroscepticism

Euroscepticism is a broad umbrella term that encompasses various types and levels of opposition to the EU. Taggart (1998: 365) defines Euroscepticism as 'the idea of contingent or qualified opposition, as well as incorporating outright and unqualified opposition to the process of European integration'. The different levels of opposition are usually captured by the hard/soft Euroscepticism typology. On the one hand, the former refers to a principled opposition to the EU and the idea of European integration. It rejects the whole EU project and supports withdrawal. Soft Euroscepticism, on the other hand, is not a principled objection to European integration or EU membership. Rather, opposition targets specific policies. There is, therefore, an expression of a qualified opposition to the EU.

With regards to both political parties and voters, Euroscepticism tends to be understood in terms of positions on the left-right dimension (Hooghe et al 2004; Van Elsas and Van de Brug, 2015). Parties oppose Europe on both strategic and ideological grounds. In terms of strategy, Euroscepticism tends to be associated with peripheral parties (Taggart 1998; Sitter 2001; Halikiopoulou et al 2012; De Vries and Edwards 2009) driven by protest and incentivised to oppose Europe as a means of differentiating themselves from their mainstream competitors. Fringe parties of both the right and the left are therefore more likely to be critical of the EU than their mainstream rivals. The 2014 European Parliament election results confirm this to a great extent. The intensification of political integration within the context of the EU economic and migrant crises has been accompanied by the rise of far right and- to a lesser extent- far left Eurosceptic parties across Europe including the French Front National (FN), the United Kingdom Independence Party (UKIP), the Danish People's Party (DF), the Greek Golden Dawn (DN) and Coalition of the Radical Left (SYRIZA).

In terms of ideology, the EU project is underpinned by a rationale that is fundamentally opposed to the core principles of the far left: a European union that favours neoliberal

policies and the free market and as such threatens radical left goals (Hooghe et al. 2004: 128). Hence, opposition to the EU project originated mainly from far left parties, which opposed free market economics. Far right Euroscepticism on the other hand is underpinned by nationalism: a justification of opposition to EU integration on the basis of identity and national sovereignty. Following Maastricht and the intensification of political integration, Euroscepticism became increasingly widespread among far right parties whose programmatic agendas emphasise the need to safeguard national identity and culture from EU erosion.

It is therefore conventional wisdom in the field that far left and far right Euroscepticism are two different phenomena: the former is associated with an opposition to neo-liberal economics while the latter is seen as a product of nationalism (De Vries and Edwards 2009). Other work, however, has shown that Eurosceptic positions may be understood in terms of a cultural cleavage dimension. Halikiopoulou et al (2012), for example, have shown that both far left and far right of Euroscepticism are associated with nationalism: the far right with ethnic and cultural nationalism and the far left with economic and civic nationalism.

If party based Euroscepticism is driven by strategic and ideological considerations, what drives public attitudes towards Euroscepticism? Sørensen (2008) identifies 4 types of public EU opposition drivers: (1) economic, as money-based calculations are central to one's evaluation of the EU; (2) sovereignty-based, as people tend to perceive increasing co-operation as a challenge to national sovereignty; (3) democratic, as the intensification of political integration raises questions with regards to the EU's so-called democratic deficit; and (4) social Euroscepticism which refers to a disagreement with the EU's political orientation.

To make sense of these categories, existing literature focuses on societal cleavages, testing positions on left and right and/or economy and culture, and/or attitudes versus socio-economic voter characteristics. Findings are often conflicting, varying across time and country. Marks (2004: 239) has referred to the object of Euroscepticism as a 'moving target': 'the relationship between left/right orientations and the degree of support for European integration depends on when one is asking the question' (2004: 239). Increasingly studies emphasise the importance of a socio-cultural dimension (Van der Brug and Van Spanje, 2009; Kriesi et al., 2008; Van Elsas and Van de Brug, 2015), linking Euroscepticism less to left-right positions (Van der Eijk and Franklin, 2004), and increasingly to public attitudes towards immigrants (De Vries, Hakhverdian and Lancee 2013). However, this does not necessarily imply that the economy is irrelevant. As we show in the next section, there are good reasons to expect the economy to have an influence on public Euroscepticism.

The Brexit vote: The role of economic insecurity

'Why' and which UK citizens voted against Europe? This chapter focuses on the economic dimension of the Leave vote. More specifically, it examines how and to what extent this Eurosceptic vote may be interpreted in terms of economic insecurity. The connection between economic performance and Eurosceptic attitudes- mainly seen in terms of voting for Eurosceptic parties - can be understood as either: (1) a rejection of underperforming economic policy understood as a result of EU policy implementation; and/or (2) a reaction of the losers of integration.

Economic insecurity and perceived economic risks have been shown to mediate far right vote (Arzheimer 2009; Halikiopoulou and Vlandas 2016). We conceptualise economic insecurity both in terms of unemployment and risk of unemployment, as well as the risk of being in poverty and the risk of uncertain housing conditions. A number of studies in political economy have found unemployment to impact negatively on various dimensions of one's welfare, such as well-being, life satisfaction, or other metrics (e.g. Jahoda 1988; Gerlach and Stephan 1996). The risk of unemployment remains a source of insecurity for those who return to work after a period of unemployment (Böckerman 2004). This in turn is expected to affect political preferences and is thus linked to voting behaviour: those without a job or in precarious employment have differing policy preferences from those who currently have a permanent job (Rueda 2005; Rueda 2007; Emmenegger 2012; Marx 2014).

In sum, deteriorating economic conditions are expected to impact negatively voters' socio-economic positions and/or their expectations. The economically insecure are more likely to see themselves as the 'losers' of European integration- as well as modernization more broadly. This actual or perceived deprivation is likely to drive anti-EU positions either as a form of protest vote, as a punishment of the establishment, or opposition to free movement of labour and immigrant access to welfare and jobs.

The economically insecure are often expected to be key constituents of the populist right, because of protest and anti-systemic attitudes, and potential linkages made with unfavourable out-group and authoritarian attitudes (Lubbers and Scheepers 2002: 134). There is also the issue of competition with immigrants and labour market outsiders for jobs, welfare, and more broadly, for access to the collective goods of the state (Wimmer 1997; de Koster et al 2012).

This chapter tests whether these hypotheses may also be applied to a Eurosceptic vote, and more specifically, Brexit. Our analysis pays particular attention to the labour market position of individuals and the labour market risks they face as we want to examine whether the risk of being unemployed, the risk of being in poverty and housing risk (whether or not an individual rents their accommodation) have influenced support for Brexit.

Empirical analysis

Data

In order to explore the determinants of the Brexit vote, we rely on the 6th wave of the British Election Study¹ that asked respondents about their voting intentions for the referendum before it took place. The question about the referendum was as follows: "If there was a referendum on Britain's membership of the European Union' turnout, how do you think you would vote?"² We create a dummy variable coded 1 if the respondent chose Leave and 0 otherwise ('don't knows' are recoded missing).

¹ Fieldhouse, E., Green, J., Evans, G., Schmitt, H., van der Eijk, C., Mellon, J., Prosser, C. (2016). *British Election Study, 2015: Face-to-Face Post-Election Survey*. UK Data Service. SN: 7972, <http://dx.doi.org/10.5255/UKDA-SN-7972-1>. The survey includes 30,027 respondents.

² 14,010 respondents (46.66%) responded "stay in the EU", 10,357 (34.5%) "Leave the EU", 883 (2.9%) said they "would not vote" and 4,775 (15.9%) answered "Don't Know" (weights applied).

We create a female dummy variable to capture the gender of the respondent and a dummy variable that captures whether the respondent answered ‘white’ to the ethnicity question in the survey. To measure the impact of age of the respondent, we create two variables: a ‘young’ dummy variable coded 1 if respondent is under 25 and 0 otherwise; and an ‘elderly’ dummy variable coded 1 if respondent is above 65 and 0 otherwise. As discussed in the previous section, young people are typically less Eurosceptic and the elderly are typically more Eurosceptic.

The survey also asks respondents about their gross household income. Rather than including all possible categories from under 5,000 to above 150,000 pounds per year, we use a cut-off point. In most political economy models, the crucial factor is the position of an individual relative to the median income so we create a variable ‘above median income’. Given that the median household disposable income in the UK for 2014/15 was £25,600,³ we code all respondents with household income above £25,000 as being above median.

In addition, we look at the role of education, which is meant to constitute a clear dividing line between the losers and winners of European integration. The absolute losers are likely to be those with no education so we create a dummy that takes value 1 if respondents have no formal qualification. Among those that have undertaken higher education, the survey asks them what subject they have studied. This provides an opportunity to test whether respondents that have studied different subjects feel differently about Brexit. In particular, we hypothesise that respondents that studied medicine or law are more likely to want to remain because these subject areas lead to jobs that may be more ‘closed off’ to foreign competition than jobs building on education in the humanities, natural and social sciences.

Next, we want to test the effect of various risks on support for leaving. The first risk is whether the respondent is at high risk of poverty, understood as being “fairly likely” or “very likely” (coded 1, 0 otherwise) to have experienced times when the respondent does not have enough money to cover day to day living costs during the next 12 months. To the extent that those that are at greater risk of poverty are more dissatisfied with the system, they may be more likely to vote for Brexit. On the contrary, if they believe forecasts about the economy they should be less likely to vote to leave.

The second risk that we wish to capture is unemployment risk. We create a dummy variable that takes a value 1 if the respondent answers that they are fairly or very likely to be out of work in the next 12 months, and 0 otherwise. Again, one could expect that more economically insecure respondents would be more Eurosceptic and hence be more likely to support Brexit, or if these respondents are more concerned about the effect that Brexit would have on the economy and in turn on the risk of becoming unemployed, they may be less likely to support Brexit given their greater exposure to unemployment.

The third risk concerns housing insecurity. We create a variable that is coded 1 if respondents are renting and 0 otherwise. Here we expect individuals that experience

³ Accessed at:

<http://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/nowcastinghouseholdincomeintheuk/2015-10-28>

greater housing insecurity to be more supportive of Brexit both because they are more economically insecure and because they might link European integration with immigration and 'pressures' on housing (note that this does not require the link to be correct, merely the respondent to hold such views).

The fourth risk variable captures income insecurity and reliance on state benefits. We create a variable that takes value 1 if the main income of the respondent comes from employment and 0 if it comes from other sources including benefits. This variable will be negatively related to Brexit if greater income security and lower reliance on benefits lowers support for Brexit.

Finally, we investigate the impact of different labour market occupations. The survey asks respondents whether they are 'employers in large organisations and in higher managerial positions', 'higher professional occupations', 'lower professional and managerial occupations and higher supervisory', 'employers in small organisations and own account workers', 'intermediate occupations', 'lower supervisory and technical occupations', 'semi-routine occupations or routine occupations'. I create a dummy variable if the respondent chooses one of the last three occupations because all three are routine and/or low skills. Workers with lower and more routine skills are more insecure as they can be more easily replaced by employers and also tend to have lower income potential and higher unemployment risk. In addition, they were the most likely to compete in the labour market with low skill immigrants.

Results from Logistic analysis on one independent variable at a time

Table 1 reports the results for a series of models where each independent variable is included on its own. For ease of interpretation it reports the predicted probability of voting leave when the dummy variable is 1 and when it is 0. Where the 95% confidence interval of the predicted probability for different values of the variable overlap (last two columns) the variable does not have a statistically significant effect.

The predicted probabilities for male and female respondents are very similar and not statistically different: men are therefore not more likely to support Brexit than women. White respondents have a 40% probability of preferring to leave compared to 31% for non-white respondents (all probabilities in the discussion are rounded), elderly respondents have a 50% predicted probability of preferring leave compared to non-elderly whereas for the young it is 18% (compared to 42% for non-young respondents). This is consistent with previous findings that show older white individuals as being more supportive of pro-Brexit parties such as UKIP (Goodwin and Heath 2016b).

In contrast to accounts that downplay the role of material factors, we find that they matter significantly. First, respondents above the median income have a 33% predicted probability of supporting Brexit compared to 47% for those below median. Having a lower income is associated with greater support for Brexit. Second, those with no formal education have predicted probabilities that are almost twice as large (65%) as those with formal education (38%). This confirms the link between low education and Euroscepticism. Third, the effect of the discipline among those with higher education qualifications is striking: respondents that

have studied law and medicine, disciplines that lead to jobs which may be more shielded from immigration, have a 29% predicted probability compared to 40% for other respondents of supporting Brexit. Fourth, individuals in low or routine occupations also have much higher predicted probabilities (55% versus 37%) to vote Leave. Being in a low- skill occupation is indeed associated with greater support for Brexit. Finally, respondents that derive their main earnings from employment have lower predicted probabilities of supporting Brexit (35% versus 41%). While the risk of poverty does seem to matter, the effect is small (39% versus 42%). More surprisingly, a greater risk of unemployment is actually associated with a lower support for Brexit: respondents facing high risks of unemployment have a lower predicted probability (36%) of choosing Leave compared to other respondents (41%). This is consistent with the notion that those facing high unemployment risks may have been more receptive of Remain arguments emphasising the potential adverse impact of Brexit on the economy. Similarly, renting one's accommodation has the opposite effect to the one we would expect: respondents who rent their accommodation have lower predicted probability of supporting leave (35% versus 41%). It may be that respondents who rent are more concerned about the detrimental effect of Brexit or that this is capturing confounding factors such as age. In order to be certain, we need to test for all factors simultaneously.

Table 1: Logistic regression analysis of one independent variable at a time

Variable	Respondent	Predicted probability	95% interval	confidence
Gender	Male	39.78%	38.95%	40.60%
	Female	39.80%	38.94%	40.66%
Ethnicity	Non-white	30.94%	28.55%	33.32%
	White	40.32%	39.70%	40.93%
Elderly (65+)	Not elderly	36.76%	36.09%	37.43%
	Elderly	50.08%	48.79%	51.35%
Young (18-24)	Not young	42.21%	41.57%	42.84%
	Young	17.79%	16.24%	19.34%
Income	Not above median	46.58%	45.50%	47.66%
	Above median	33.18%	32.31%	34.04%
Risk of poverty	Not high	38.93%	38.24%	39.61%
	High	42.43%	41.21%	43.64%
Risk of unemployment	Not high	40.51%	39.86%	41.16%
	High	35.82%	34.32%	37.30%
Education	Formal education	37.93%	37.32%	38.55%
	No formal education	64.75%	62.54%	66.97%
Higher education discipline	Not protected	40.03%	39.43%	40.63%
	'Protected' discipline	28.72%	24.96%	32.48%
Housing	Not rent	40.86%	40.19%	41.52%
	Rent	35.05%	33.70%	36.41%
Earnings from employment	No	40.55%	39.91%	41.18%
	Yes	3.46%	32.97%	36.22%

Occupations	Others	37.49%	36.86%	38.13%
	Lower/routine occupations	54.89%	53.22%	56.56%

Note: each row reports the predicted probability of a dichotomous variable for its 2 values using a logistic analysis regressing a dichotomous variable 'voting leave' on that variable with robust standard errors.

Results from logistic analysis on several independent variables

Figure 1 reports the results of different models that test the effects of several factors jointly. It plots semi-standardised coefficients – i.e. coefficients have been rescaled by the standard deviation of the variable in the data. A positive coefficient suggests the factor under consideration increases the probability of the respondent supporting Brexit. For each variable, the figure also displays the 95% confidence interval, which is shown by the line around the point estimate: when it intersects the 0-line, the coefficient is not statistically different from 0 and we conclude that the factor is not associated with support for Brexit.

As was the case before, gender is not statistically significant, but this is now also the case for the variable capturing whether the respondent derives his/her earnings from employment. The young are much less likely to support Brexit while the opposite is true for the elderly (relative to middle aged respondents). The other results are the same as before but running the logistic regression with all the independent variables together allows us to compare the magnitude of the effects. This reveals that age is a strong predictor of voting leave and that the effect is reduced as more variables are included. Next, being below the median income, having no formal education, and being in low or routine occupations also have very large significant effects on voting leave.

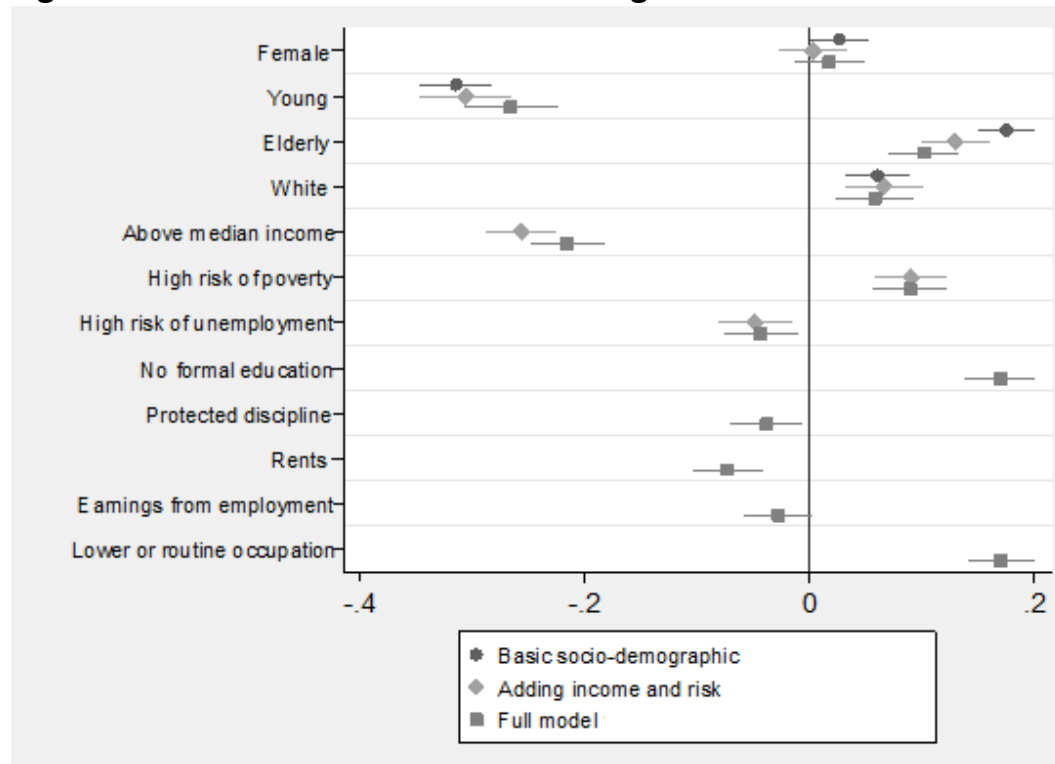
These findings are consistent with the fact that immigration from EU countries was particularly acute for certain occupations. Thus for instance, ONS data⁴ suggest that between 2010 and 2014, 164,000 immigrants with a professional or managerial occupational background immigrated to the UK from the EU, while 169,000 immigrated from outside the EU. In other words, these occupations are under similar 'pressure' from non-EU and EU countries. By contrast, a much larger - 277,000 – number of immigrants with a manual and clerical occupational background came from EU, whereas only 64,000 came from non-EU countries. As a result, differences in support for Brexit between occupations may reflect different degrees of exposure to immigration from the EU.

One way to visualise the practical implications of these results is to calculate the predicted probabilities of voting leave for two hypothetical individuals. A white male between 25 and 65 years old, with no formal education, deriving most of his earnings from employment in a lower or routine occupation, renting his house, and reporting a high risk of unemployment and poverty would have a 66% probability of supporting Brexit. Contrast this with an individual that has the same characteristics in all respects except that he has at least some formal education, is not at high risk of poverty or unemployment, nor in a lower or routine

⁴ Long-Term International Migration, estimates from the International Passenger Survey -Annual data. Source: Office for National Statistics (ONS).

occupation, and has studied a ‘protected discipline’: this individual would have a predicted probability of only 25% of supporting Brexit.

Figure 1: material determinants of voting leave



Note: Robust standard errors clustered by country. Effects are rescaled by the standard deviations of the predictors.

Discussion

Our findings with regards to economic insecurity are consistent with the findings of most existing studies on Brexit. Focusing on the socio-economic characteristics of the Brexit vote, Becker et al (2016) emphasise the importance of variables “not malleable to political choices”, including education, industry structure and demography (2016:2). They further argue that “policy choices related to pressure from immigration, fiscal cuts and the housing market are linked to a higher Vote Leave share especially when socio-economic fundamentals are ‘weak’ (low incomes, high unemployment), and when the local population is less able to adapt to adverse shocks (due to low qualifications and a rising age profile)” (Becker et al 2016: 4). Goodwin and Heath (2016b) also focus on economic inequality, drawing on an analysis of the ‘left behind thesis’. Through an examination of both individual and area-level data they find that “the poorest households, with incomes of less than £20,000 per year, as well as the unemployed, low-skilled and manual workers, and more broadly economically deprived groups vulnerable to poverty were more likely to support Brexit” (Goodwin and Heath 2016c online). Studies also agree that education was a strong predictor (Goodwin and Heath 2016b; Kaufmann 2016; Becker et al 2016): support for Brexit was much higher in areas where large numbers of people do not hold any qualifications. Finally, another strong predictor was age, suggesting that- in line with the ‘left behind’ thesis and previous analyses on UKIP support- there is a link between Leave support and societal marginalization especially among pensioners and older voters. Becker et al (2016) as

well as Goodwin and Heath (2016) also find a link between support for Brexit and a vote for UKIP: 'Public support for Leave closely mapped past support for UKIP but was more polarised along education lines than support for UKIP' (Goodwin and Heath 2016b:1).

Our findings are in line with Becker et al's (2016) argument that the Brexit vote 'was at least partially related to distributional issues' (Becker et al 2016:6) and that there is a clear link between Brexit and austerity: 'just a slightly less harsh regime of austerity aimed at cutting benefits could have substantially reduced support for the Vote Leave campaign and overturned the result of the EU referendum' (Becker et al 2016: 4). This is also in line with previous work that examines the impact of economic insecurity on far right party support. Analyses focusing on the mediating role of welfare state institutions- for example unemployment benefits and Employment Protection Legislation (EPL)- have found that the far right is more likely to experience an increase in support in cases where these institutions are weak and do not contain economic insecurity (Halikiopoulou and Vlandas 2016; Vlandas and Halikiopoulou 2016). The adoption of austerity policies that increase the risks and costs of unemployment and exacerbate economic insecurity therefore makes the rise of the far right more likely.

In terms of the relationship between immigration and the Brexit vote, findings are more mixed. While Goodwin and Heath (2016c) did not find a positive relationship between support for Brexit and immigration levels, they did find a positive relationship between Brexit and change in immigration levels- in other words, in areas where the size of EU migrant populations increased rapidly were more likely to support Brexit. Areas, therefore, "that had experienced a sudden influx of EU migrants over the last 10 years were often more pro-leave" (Goodwin and Heath 2016c). This coincides somewhat with Becker et al's (2016) finding that in terms of migration growth, only migration from the mainly Eastern European EU accession countries positively correlates with the Vote Leave share (Becket et al 2016: 23). Beyond this however, "relatively little variation in the Vote Leave share can be explained by measures of a local authority area's exposure to the European Union (e.g., due to immigration" (2016:3). But immigration wasn't the key driver of Brexit according to this study. Even major changes in immigration would have been unlikely to sway the vote. The referendum result, they argue instead, "was driven by long-standing fundamental determinants, most importantly those that make it harder to deal with the challenges of economic and social change" (Becket et 2016: 13).

Our analysis therefore, as well as other initial studies on Brexit, point to the importance of the economic dimension. The more likely Brexit voters are the 'left behind' (Goodwin and Heath 2016) from modernization and globalization, older, from poorer households, with lower education levels, who perceive immigrants as a threat either to the cultural way of life or their economic wellbeing and believe they are competing with them for jobs, access to social services and more broadly the collective goods of the state. There is an additional dimension to this, which refers to attitudes and values. The key to this is sovereignty-based Euroscepticism, nationalism and conservative social values. There is a strong correlation between voting to Leave for example and feeling 'very strongly' English (Goodwin and Heath 2016c). Kaufmann (2016) also finds a correlation between Brexit support and socially conservative attitudes: those who support authoritarian positions such as harsh prison

sentences and the death penalty and oppose equal gender opportunities are more likely Brexit supporters.

Conclusion

This chapter has focused on the political economy of the Brexit vote, and more specifically, on the extent to which economic insecurity played a role in the vote to Leave the EU. The link between the economy and Euroscepticism is often theorised in terms of the winners and losers of European integration. In other words, a vote against the EU is often understood as a reaction of the losers of integration. We theorise this in terms of economic insecurity, in line with studies that have attempted to test the effect of economic insecurity on far right party support (Halikiopoulou and Vlandas 2016; Vlandas and Halikiopoulou 2016).

Our examination of BES data has shown that labour market factors have a profound effect on support for Brexit: low income respondents with no formal education and in low skilled or routine occupations that are at risk of poverty and have faced the brunt of immigration from the EU are especially likely to support Brexit. Age and ethnicity were important, while gender did not play a role. This confirms the hypothesis that economic insecurity was an important driver of Brexit and is in line with studies that find that there is a link between austerity policies and Brexit support.

Our findings are consistent with existing literature on Brexit to date. A number of studies since the UK EU referendum has found similar findings relating to the economy: Becker et al (2016) and Goodwin and Heath (2016a; 2016b; 2016c) agree that the left behind, older, less educated voters in manual employment are more likely Brexit supporters. For Becker et al (2016) this is because long-term conditions exacerbate one's socio-economic standing, preventing opportunities. Austerity in the UK exacerbated the effect of economic deprivation, thus increasing the likelihood of a Brexit vote.

We know, therefore, that the typical Brexit voter was more likely to be- but wasn't exclusively- older, low skilled, in manual employment and socially and economically marginalised. This voter could have previously been a UKIP supporter, and also was more likely to oppose immigration, feel strongly about his/her English identity and adopt conservative – even authoritarian- values about social issues. The question, to a great extent, is how to interpret this data. Studies differ in terms of which factors they place their emphasis on, suggesting these characteristics were important either because of the economic insecurities that these voters were facing per se, or because of a breach of a broader values consensus at the helm of which lies identity. In this latter view, socio-economic factors in themselves are less important than attitudinal factors. Future research could focus more on the causal links and determine why and how the economic, cultural, sovereignty-based determinants of Euroscepticism affect voting behaviour.

References

- Arzheimer, K. (2009), 'Contextual Factors and the Extreme Right Vote in Western Europe', 1980–2002. *American Journal of Political Science*, 53, 259–275. doi: 10.1111/j.1540-5907.2009.00369.x
- Becker, S. O., Fetzer, T and Novy, D (2016), Who Voted for Brexit? A Comprehensive District-Level Analysis, University of Warwick, Working paper Series, No.305
- Böckerman P. (2004) Perception of job instability in Europe, *Social Indicators Research*, 67 (3), 283-314.
- De Koster, W. P. Achterberg and J. van der Waal (2012) The new right and the welfare state: The electoral relevance of welfare chauvinism and welfare populism in the Netherlands, *International Political Science Review*, 34(1): 3–20.
- De Vries, C.E. & Edwards, E.E. (2009). Taking Europe to its extremes: Extremist parties and public Euroscepticism. *Party Politics* 15(1): 5–28.
- De Vries, CE, Hakhverdian, A and Lancee, B (2013) The dynamics of voters' left/right identification: The role of economic and cultural attitudes, *social Science Research and Methods*, 1:2, pp.223-238
- Emmenegger P. (2012) Job security regulations in Western democracies: a fuzzy-set analysis, *European Journal of Political Research*, 50 (3), 336-364.
- Gerlach K. and Stephan G. (1996) A paper on unhappiness and unemployment in Germany, *Economics Letters*, 52 (3), 325-330.
- Goodwin, M. and Heath, O., (2016a) 'A tale of two countries: Brexit and the 'left behind' thesis', LSE British Politics and Policy Blog, <http://blogs.lse.ac.uk/politicsandpolicy/brexit-and-the-left-behind-thesis/> [accessed November 4th 2016]
- Goodwin, M. J. and Heath, O. (2016b), The 2016 Referendum, Brexit and the Left Behind: An Aggregate-level Analysis of the Result. *The Political Quarterly*, 87: 323–332. doi:10.1111/1467-923X.12285
- Goodwin, M.J and Heath, O. (2016c), Brexit vote explained: poverty, low skills and lack of opportunities, Joseph Rowntree Foundation, <https://www.jrf.org.uk/report/brexit-vote-explained-poverty-low-skills-and-lack-opportunities> [accessed December 5th 2016]
- Halikiopoulou, D, Nanou, K, and Vasilopoulou, S (2012) The paradox of nationalism: The common denominator of radical left and radical right euroscepticism. *European Journal of Political Research* 51(4): 504- 539.
- Halikiopoulou D and Vlandas T (2016) 'Risks, costs and labour markets: explaining cross-national patterns of far right party success in European Parliament elections'. *Journal of Common Market Studies*, doi: 10.1111/jcms.12310.

Hooghe, L., Marks, G. & Wilson, C. (2004). Does left–right structure party positions on European integration? In G. Marks & M. Steenbergen (eds), *European integration and political conflict*. Cambridge: Cambridge University Press.

Jahoda M. (1988) Economic recession and mental health: some conceptual issues, *Journal of Social Issues*, 44 (4), 13-23.

Kaufmann, E., (2016) 'It's NOT the economy stupid: brexit as a story of personal values', LSE British Politics and policy Blog, July 7th 2016, <http://blogs.lse.ac.uk/politicsandpolicy/personal-values-brexit-vote/> [accessed November 4th 2016]

Lubbers, M. and Scheepers, P. (2002) French Front National Voting: a micro and macro perspective, *Ethnic and Racial Studies*, 25(1): 120-149.

Marks, G (2004) Conclusion: European integration and political conflict. In G Marks and MR Steenbergen (eds), *European integration and political conflict*. Cambridge: Cambridge University Press, pp. 235-259.

Marx P. (2014) Labour market risks and political preferences: the case of temporary employment, *European Journal of Political Research*, 53 (1), 136–159.

McLaren, L (2007) Explaining mass-level euroscepticism: Identity, interests, and institutional distrust. *Acta Politica* 42: 233-251.

Rueda D. (2005) Insider-outsider politics in industrialized democracies: the challenge to social democratic parties, *American Political Science Review*, 99 (1), 61-74.

Rueda D. (2007) *Social democracy inside out: partisanship and labor market policy in industrialized democracies*, Oxford, Oxford University Press.

Sitter, N. (2001). The politics of opposition and European integration in Scandinavia: Is euro-scepticism a government–opposition dynamic? *West European Politics* 24(4): 22–39.

Sørensen, C (2008) Love me, love me not: A typology of public Euroscepticism. *European Parties Elections and Referendums Network (EPERN) working paper*, No. 19.

Spiering, M (2004). British Euroscepticism. *European Studies* 20 (2004): 127-149.

Taggart, P. (1998), *A Touchstone of Dissent: Euroscepticism in Contemporary Western European Party Systems*. *European Journal of Political Research*, 33: 363–388. doi:10.1111/1475-6765.00387

Van der Brug, W and Van Spanje, J (2009) Immigration, Europe and the 'new' cultural dimension. *European Journal of Political Research* 48: 309–334

Van Elsas, E. and Van de Brug, W,. (2015) The changing relationship between left–right ideology and euroscepticism, 1973–2010, *European Union Politics*, 16: 2,pp. 194-215

Vasilopoulou, S,. (2016) UK Euroscepticism and the Brexit Referendum, *Political Quarterly*, 87:2, pp. 219-227

Vlandas, T. and Halikiopoulou, D., (2016) Why far right parties do well at times of crisis: the role of labour market institutions. Working Paper. European Trade Union Institute ISSN 1994-4446

Wimmer, A. (1997). Explaining xenophobia and racism: a critical review of current research approaches, *Ethnic and Racial Studies*, 20(1): 17-41.